

Recess Holds: Legislative Update Week of November 30, 2020



**The following contracts are being held pending receipt of responses to questions and concerns:
Departmental Responses are listed in red.**

Fire Department

6003118 100% City Funding – To Provide EMS Medical Supplies. – Contractor: J & B Medical Supply Company, Inc. – Location: 50496 West Pontiac Trail, Wixom, WI 48393 – Contract Period: Upon City Council Approval through October 31, 2022 – Total Contract Amount: \$1,154,000.00.

Follow-Up Questions and Concerns Part B:

J & B Medical Supply Company had a bid tabulation grant total of \$854,878.20 and Lorrain Distribution Company LLC dba Med Supply had a bid tabulation grand total of \$35,000. Zoll Medical submitted a bid for \$288,167.80. This vendor was the only one to quote prices on the entire list of items for a 2-year period.

1. Does Lorraine Distribution Company LLC dba Med Supply Plus have the capacity to provide all of the entire list of items?
2. Please provide the feasibility of utilizing multi-contracting in circumstances where there are multiple small or micro businesses that can provide a fraction of the requested services and/or products to ensure that small and micro businesses are able to access opportunities on City of Detroit contracts.
3. Please provide the feasibility of encouraging joint-mentor ventures in circumstance where there is a small or micro business that can only provide a fraction of the requested services and/or products to ensure that small and micro businesses are able to access opportunities on City of Detroit contracts.
4. What processes are in place to follow up with Detroit companies that unsuccessfully bid on contracts to provide feedback to Detroit businesses on improvements?

The request for the employment statistics of all contract bidders provides the Office of Council President Brenda Jones with all necessary information to evaluate the prioritization of Detroit

businesses and residents on City of Detroit contracts and how current policies and laws are either creating opportunities or furthering barriers to access for Detroit residents thus making the review and analysis relevant to the expenditure of City of Detroit public funds.

Please provide the following information for Lorraine Distribution Company LLC dba Med Supply Plus:

1. Completed Target Business and Employment Link;
2. Tangible plan for hiring Detroiters for all contractors that do not have a 51% Detroit Resident workforce including but not limited to:
 - a. Plans for Target Outreach and Recruitment;
 - b. Number of Hires within six (6) months;
 - c. Residency of Hires within six (6) months;
 - d. Proof of compliance with City of Detroit ban the box ordinance;
 - e. Modification of pre-employment screening and testing; and
 - f. If legally feasible, commitment to an agreed upon priority hiring window.
3. Detailed steps taken by the Office of Procurement to inform Detroit businesses of bid opportunities and recruit Detroit businesses for all services awarded to Non-Detroit companies.
4. How were all qualified City suppliers notified?

Questions and Concerns Part A:

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there will be five employees on this contract and zero of them are Detroiters. This equates to a 0% Detroit workforce. The job titles are as follows: EMS Sales Manager, Purchasing Agent, Account/AR, warehouse agent and delivery associate.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

J & B Medical Supply Company had a bid tabulation grand total of \$854,878.20 and Lorrain Distribution Company LLC dba Med Supply had a bid tabulation grand total of \$35,000. Zoll Medical submitted a bid for \$288,167.80

This vendor was the only one to quote prices on the entire list of items for a 2-year period.

- J & B Medical- Wixom, MI
- Lorraine Distribution Company LLC dba Med Supply Plus- Detroit, MI
- Zoll Medical Corp-Chelmsford, MA

3. Please explain what efforts the Office of Contracting and Procurement and the Civil

Rights, Inclusion and Opportunities Department are doing to get local businesses involved with the City of Detroit procurement process.

OCP will continue to do outreaches to get suppliers.

4. What has been the outcome of the outreaches and what do you believe are the difficulties with recruiting medical suppliers?

The outcome was positive as there was an abundance of suppliers for PPE products, however for more specific items that are required by DHD, e.g. needles, alcohol swabs, there was limited interest. There is a plan for an outreach early 2022.

5. Additionally, all of the bidders did not submit TBE on this contract and J&B Medical is missing their employment report pertaining to their hiring plan for having less than a 51% Detroit Resident workforce.

Queries within your Target Employment Survey e.g., number of employees, their job titles, number of Detroiters and their titles are inconsequential and are therefore not relevant to a non-awardee as the contract was awarded to a competitor.

Housing and Revitalization

6003186 100% City Funding – To Provide Services for the Gordie Howe International Bridge Project to Rehab the Residential Property at 4349 Apple Street, Detroit MI. – Contractor: Jozef Contractor, Inc. – Location: 17245 Mount Elliott Street, Detroit, MI 48212 – Contract Period: Upon City Council Approval through November 30, 2021 – Total Contract Amount: \$104,500.00.

Follow-Up Questions and Concerns Part B:

Jozef Contract, Inc is currently receiving a Detroit Based Business and Detroit Headquartered Business equalization credit. Following a Google satellite search of the location at 17245, it appears to have abandoned and scrap vehicles. Understanding, the possibility of location updates that are not represented in the satellite, please see the below questions and concerns:

1. How many employees are performing services or were performing services prior to COVID-19 from 17245 Mount Elliot? Please provide roles and responsibilities of those employees.
2. How many employees are performing services or were performing services prior to COVID-19 from other locations?
3. How much equipment is located at 17245 Mount Elliot? Please provide evidence to support.
4. How much equipment is located at other locations? Please provide evidence to support.

While the program has taken steps to ensure that 70% of the contracts awarded are Detroit Based Businesses, there is still outstanding concerns with the utilization of the equalization credits. Additionally, the response only addresses efforts taken to contract with Detroit Based Businesses, however the response does not provide steps taken to ensure that Detroit residents are being hired to perform the services on the contract with the contractor having a 28.5% Detroit resident workforce.

Questions and Concerns Part A:

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there would be seven (7) employees on this contract and two (2) of them are Detroit residents. This equates to a 28.5% Detroit Resident workforce. The non-Detroit job titles are as follows: lead supervisor, painting lead supervisors, plumbing, and carpentry lead supervisor. The Detroit job titles are painting and mechanical.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

Twenty-three (23) pre-qualified vendors were invited to bid and seven (7) pre-qualified vendors attended the scheduled bidwalk on October 27, 2020. The Office of Contracting and Procurement received two (2) bid responses. Jozef Contracting was the highest ranking. It was the consensus of the evaluation team to recommend the award to Jozef.

Jozef received 53.00 points from Phase One Criteria –Non-Economic Development and Phase Two Criteria – Prime Agreement or Economic Development. They received 38.00 points in Phase One for capacity and cost. They received an additional 15.00 points in Phase Two for being a Detroit Headquartered Business and a Detroit Based Business.

Nora Contracting received 38.00 points from P from Phase One Criteria –Non-Economic Development and Phase Two Criteria – Prime Agreement or Economic Development. They received all 38.00 points from Phase One for cost and capacity.

3. Please provide a tangible workforce plan to hire more Detroiters.

Jozef indicated that they are not in the market for hiring new people. In the future, they are open to reaching out to Detroit Employment Solutions Corporation to hire more Detroit residents.

4. Has the current contractor hired or plan to hire for their company? **N/A**

5. Please explain what efforts are being taken to recruit Detroit contractors that hire Detroiters to provide this service.

One of the main focuses at Bridging Neighborhoods is engaging with and creating opportunities for Detroit based contractors. We have partnered internally (with OCP, CRIO, HRD, DLBA, etc) and externally (e.g. Michigan Hispanic Contractors Association, Michigan Minority Contractors Association, etc) on outreach events to recruit Detroit based contractors as well as directly reaching out to contractors that have expressed interest in our program. We also request meetings with Council Members' offices

annually, where we ask for Contractor recommendations and any contractor interactions/events they put on, that we can be a partner in. We have reached out to over 400 contractors and suppliers since the inception of our program and are currently in the process of developing a longer-term outreach plan. Our efforts to date have resulted in approximately 70% of our prequalified contractors being Detroit based businesses. Additionally, through our internal partnerships, we co-hosted the City's first Residential Construction Fair in 2018, which led to the creation of the annual Detroit Construction Conference. We are currently in the planning stages for the 3rd DCC, to be held on January 30, 2021.

General Services

6002931 100% City Funding – To Provide Power Washer Maintenance, Repair and Parts. – Contractor: Hotsy Midwest Cleaning Systems – Location: 34525 Industrial Road, Livonia, MI 48150 – Contract Period: Upon City Council Approval through July 14, 2022 – Total Contract Amount: \$134,500.00.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there is one employee on this contract and that employee is not a resident of the City of Detroit. This equates to a 0% Detroit Resident workforce. The non-Detroit employee is the service manager on this contract.

TBE on Atomic Cleaning Systems has been requested. The hiring plan for Hotsy Midwest has also been requested.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

The other bidder on this contract was Atomic Cleaning Systems based out of Farmington, Hills. Their bid was for \$146,250.00 and that is why the bid went to Hotsy Midwest Cleaning Systems for their bid of \$134,500.00.

6003125 50% Solid Waste 25% City 20% Blight 5% Major Street Funding – To Provide the Rental and Purchase of Shop Equipment Trailers. – Contractor: Alta Equipment Company, LLC – Location: 5105 Lorraine Street, Detroit, MI 48208 – Contract Period: Upon City Council Approval through November 9, 2025 – Total Contract Amount: \$1,439,730.00.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

This contractor indicated there will be ten (10) employees on this contract and three (3) of them are Detroit residents. This equates to a 30% Detroit workforce.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

Negotiation 18522 was issued as an RFP, not an RFQ. Since there were 12 different items being bid that required pricing to be submitted for all five (5) years of the contract, we did not create line items for each item in Oracle. We requested that Suppliers submit a pricing sheet along with their proposals, which is why the attached bid tabulation has \$1.00 in the response amount from the Suppliers.

The City only received two (2) responsive, responsible proposals for RFP 18522. Both Suppliers have been offered awards contingent upon City Council approval. Awards were made based on the trailers & equipment each Supplier ranked highest in after evaluations. This contract 6003125, is the second of the two (2) contracts being submitted to City Council. The first contract 6003124 is being offered to American Trailer Mart located at 3225 W Huron St, Waterford Twp, MI 48238 and was already submitted for CC review and approval.

3. What efforts are being taken to encourage the contractor to increase the Detroit Resident workforce percentage on their contracts?

The Office of Contracting and Procurement stated that they are doing outreaches to encourage contractors increase their Detroit Resident workforce on contracts.

4. Please provide a detailed response on the outreaches the Office of Contracting and Procurement has completed and/or will complete to encourage the contractor to increase the Detroit Resident workforce percentage on their contracts. **Awaiting response.**

The following contracts were previously released:

Departmental Responses are listed in red.

6003185 100% City Funding – To Provide Electrical Parts and Supplies. – Contractor: MSC Industrial Supply – Location: 31557 Schoolcraft Road Suite 100, Livonia, MI 48150– Contract Period: Upon City Council Approval through December 14, 2022 – Total Contract Amount: \$77,748.84.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there will be 500 employees on this contract and 32 of those employees are Detroit residents. This equates to a 6.4% Detroit Resident workforce. The job titles are as follows: sales, customer service, credit, and inventory management.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

For negotiation 18855, Four (4) total bids were received. Grainger did not bid on all items requested and then did not meet the specifications of the bid for the items they bid on, so this was awarded to the lowest responsive, responsible bidder MSC Industrial Supply after equalization credits were applied to AVE and Power Lighting & Technical Services.

1. MSC Industrial Supply (31557 SCHOOLCRAFT RD,SUITE 100,LIVONIA, MI 48150)
2. Ave Office Supplies INC. (1155 BREWERY PARK BLVD,SUITE 350,DETROIT, MI 48207)
3. Grainger (1201 W LAFAYETTE BLVD,DETROIT, MI 48226)
4. Power Lighting & Technical Services (10824 WEST CHICAGO,SUITE 200,DETROIT, MI 48204)

3. The contractor indicated that there are 500 employees on this contract and 32 are Detroit residents. Please confirm the number of employees on the contract and the total number of Detroit residents on the contract.

Per the supplier, they have 500 people located locally at their Southfield location. That building contains 32 people that reside in Detroit. Their Department's vary from customer service, credit, order entry, IT,etc. which makes it hard to determine exactly how many people will work on this contract. It depends on who is dispatched when an order comes in.

General Services

6001836 100% City Funding – AMEND 1 – To Provide an Increase of Funds Only for Additional Services as Requested for Clark Family Park including Irrigation Design, Expanded Landscape Architectural Services and Other Related Structural Services. – Contractor: Hamilton-Anderson – Location: 435 Randolph #200, Detroit, MI 48226 – Contract Period: January 1, 2019 through December 31, 2023 – Contract Increase Amount: \$32,500.00 – Total Contract Amount: \$354,500.00.

1. How many meetings have occurred or will occur?
 - 4 large community meetings
 - 4 stakeholder
 - At a minimum of 5 small group meetings + 3 park walks

2. How were residents notified or will be notified?
 - a. Who was notified?

The residents were notified through emails, social media, community partners – The Clark Park Coalition.

3. If a meeting has been held, what concerns were raised by the community?

The overall process was a Master Planning through Construction Documentation Process. There were many concerns which were applied to the solutions and resolved through design and community engagement process.

4. If meetings have not occurred, how does the department plan to engage the community?

This is an SNF project that went through extensive engagement. The contract amendment that we are asking is an item that responds to community priorities and budget. Resulting in an additional architectural task that is needed to construct the project. The additional task plans that changed white boxing a building to be held for a future bathroom to provide the plans to turn it into a bathroom now.

5. What is being done to address the concerns of the community?

There are no community concerns over this piece.

6. Why was the project not completed in the allotted term of the contract?

The project is being completed in the time frame.

7. What is the projected time of completion of the project?

As soon as council approves this amendment. We will have the documents within one weeks' time and be able to bid immediately afterward. The total project to be bid is valued at close to \$3,000,000.

8. Does the department anticipate any additional funds or time being requested at a later date? No

9. What goals and metrics are in place to ensure the contractor successfully completes the contract on time? The contractor is on task. We are only waiting for city approvals.

10. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there will be five employees on this contract and three (3) of them are Detroit residents. This equates to a 60% Detroit Resident workforce. The Detroit job titles are as follows: Principal-in-Charge and Landscape Design Professionals.

Public Works Department

6003189 100% Major Street Funding – To Provide Square Tube Steel Sign Posts and Anchors. – Contractor: MD Solutions, Inc. – Location: 8225 Estates Parkway, Plain City, OH 43064 – Contract Period: Upon City Council Approval through December 14, 2021 – Total Contract Amount: \$173,238.00.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there would be zero employees on this contract. They

stated that they are supplying the traffic sign materials. No services are required.

6003201 100% Major Street Funding – To Provide U-Channel Steel Sign Posts and Anchors.
– Contractor: MD Solutions, Inc. – Location: 8225 Estates Parkway, Plain City,
OH 43064 – Contract Period: Upon City Council Approval through December 14,
2021 - Total Contract Amount: \$340,850.00.

1. Please complete target business and employment link for each contract.
The contractor indicated that there would be zero employees on this contract. They stated that they are supplying the traffic sign materials. No services are required.
2. Please provide the bid tabulation and location of the other vendors that bid on the contract.
Four (4) Total Bids were received. The Lowest Bidder Lightle Enterprises of Ohio LLC was disqualified for not submitting the requested specification documentation on the bid. I emailed the Supplier to give them additional time and they requested to pass on this opportunity. This was then awarded to the second lowest responsive, responsible bidder MD Solutions.
3. Additionally, there are companies in the Detroit and/or Michigan area that could potentially offer this service such as Factory Steel & Metal Supply, Detroit Tubing Mill, and Alro Steel, please explain what steps the department is taking to recruit Detroit businesses to bid on these services.
 - Factory Steel & Metal Supply, and Detroit Tubing Mill are not currently registered in Oracle to bid on negotiations. I reached out to these Suppliers and provided them with the information to get registered for future opportunities.
 - Alro Steel is currently registered in Oracle, but they have not entered the list of goods they can provide to the City in Oracle, so I sent this Supplier an email to update their profile. This will provide access to future opportunities if they can provide these goods.
 - OCP currently has a team dedicated to encouraging more business from local Suppliers, through bid weeks, and outreaches for certain commodities which includes this one.

Housing and Revitalization

6003183 100% City Funding for the Gordy Howe International Bridge Project – To Provide Residential Rehabilitation Services to Single Family Dwellings for the Bridging Neighborhood Program Property, 1021 Livernois, Detroit MI. – Contractor: Lake Star Construction Services, Inc. – Location: 440 Burroughs Suite 133, Detroit, MI 43202 – Contract Period: Upon City Council Approval through November 30, 2021 – Total Contract Amount: \$ 101,200.00.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

This contractor indicated that there are fourteen (14) employees on this contract and eleven (11) employees are Detroit Residents. This equates to a 78.5% Detroit Resident workforce. The job employee titles are as follows: carpenters, painters, tile installers, masons, laborers, superintendent, and project manager.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract.

This was an RFP, attached is a copy of evaluation form. Gayanga bid outside of the target pricing (Detroit Business); Jozef is also a Detroit Business. Lake Star has a total of 50 points, Jozef came in second with 41 points, and Gayanga came in third with 15 points.

Lake Star received 50.00 points during Phase One Criteria for non-economic development which included their capacity based on their percent of capacity available at the time of RFP close (25.00 pts) and cost (25.00 pts).

Jozef received 41.00 points across Phase One Criteria –Non-Economic Development and Phase Two Criteria – Prime Agreement or Economic Development. Jozef received 13.00 points for capacity and cost for Phase One. Jozef also received 15.00 points for Phase Two for being a Detroit Headquartered Business and Detroit Based Business.

Gayanga received 15 point for Phase Two Criteria for being a Detroit Headquartered Business and Detroit Based Business.

Historical Designation Advisory Board

6002763 100% Grant Funding – To Provide a Historic Architect to Develop a Specialized Stabilization and Mothballing Plan for the Fort Wayne Project. – Contractor: Hamilton-Anderson – Location: 435 Randolph #200, Detroit, MI 48226 – Contract Period: Upon City Council Approval through September 30, 2021 – Total Contract Amount: \$58,000.00.

1. Please complete target business and employment link for the selected contractor and vendors who bid on the contract.

The contractor indicated that there will be three (3) employees on this contract and two (2) are Detroit residents. This equates to a 66% Detroit resident workforce. The job titles are as follows: Historical Architect, Project Manager, and Director.

2. Please provide the bid tabulation and location of the other vendors that bid on the contract. The other vendor Flax Construction is located at 651 Livernois St, Ferndale, MI 48220.

The following contracts are being held until after recess:

Housing and Revitalization

3046554 100% Federal Funding – To Provide a Commercial Demolition (Group 172) for the Property Located at 955 Continental. – Contractor: SC Environmental Services, LLC Location: 1234 Washington Boulevard 5th Floor, Detroit, MI 48226 – Contract Period: Upon City Council Approval through June 30, 2021 – Total Contract Amount: \$24,404.00.

Demolition Department

3045928 100% City Funding – AMEND 1 – To Provide the Demolition of Undiscovered Base- ments Located at 4222 Grandy and 4242 Grandy. – Contractor: SC Environmental Services, LLC – Location: 1234 Washington Boulevard 5th Floor, Detroit, MI 48226 - Contract Period: Upon City Council Approval through November 17, 2021 – Con- tract Increase Amount: \$30,290.00 – Total Contract Amount: \$117,240.00.